



YHA AUSTRALIA

3 May 2021

Patrick O'Brien, Committee Manager
Legislative Council Economy and Infrastructure Committee
Parliament of Victoria - Via email: tourisminquiry@parliament.vic.gov.au

Dear Committee members,

Inquiry into the impact of the COVID-19 pandemic on the tourism & events sectors

YHA is a for-purpose organisation with a mission to promote education through travel, which we do through a network of 59 unique properties across Australia. These range from large urban properties such as Melbourne Metro YHA, to smaller nature-based ones such as Grampians Eco YHA. By way of an indication of the impact of the COVID-19 crisis on YHA:

- Our network is currently operating at around only 30% occupancy, which is half of pre-COVID-19 results – see our 2020 Year in Review for details www.yha.com.au/contentassets/d785c0606e0e4642b768b85e976d1afa/yha-australia-2020-year-in-review.pdf
- Currently our flagship Victorian property, Melbourne Central YHA, remains closed due to lack of demand and limited funds to operate this facility
- Our regional properties, including ones in popular tourism destinations, such as Apollo Bay YHA, have been subject to snap lockdowns, curtailing occupancy and causing ongoing lack of consumer confidence to travel
- We have shed over 150 employees (or nearly half of our workforce) since the start of the crisis
- The vast majority of employees retained were put on limited hours and reduced pay on JobKeeper for a year (until that scheme ended on 28 March 2021) causing them financial hardship, mental anguish and leading to the loss of many skilled employees from our organisation.

At YHA we continue to try to pivot to new markets during the crisis, and are fully COVID-Safe at all properties, with regular inspections by relevant authorities – see www.yha.com.au/hostels/covid-19/

We commend the efforts of all levels of government and the health authorities in controlling the spread of COVID-19. We also appreciate your support of the vital youth tourism sector, which contributes over \$3bn each year to the visitor economy and is particularly beneficial for regional areas, especially through the visitation and transient labour force provided by Working Holiday Makers (WHMs). I also note that young, independent travellers are resilient and likely to be some of the first to return when international borders re-open, and YHA supports the pilot proposal for the resumption of the WHM scheme proposed by the Backpacker & Youth Tourism Advisory Panel (BYTAP).

For further information, please see media article from *The Age* (14/3/2021) attached as an Appendix - www.traveller.com.au/australia-backpacker-hostels-international-border-closure-causes-pain-h1ujz

Yours sincerely,

Paul McGrath, CEO